

2/21/2023

**Testimony in support of: SB 350 AN ACT EXEMPTING CERTAIN AGRICULTURAL VEHICLES FROM THE HIGHWAY USE TAX**

Chairman Fonfara and Horn, Vice-Chairs Miller and Moore and Members of the Finance, Revenue and Bonding Committee

I urge your support of SB 350. My name is *Mark Blackmer* My farm is located in *Thompson, CT*.

I currently own and operate a farm business that *transports fertilizer and feeds to and from farms*.

PA 21-177 was passed in 2021 which imposed a mileage tax on trucks traveling on Connecticut highways. Collection of the Highway Use Tax (HUT) began on January 1, 2023.

Since the passage of that bill Connecticut farmers, who are at the very beginning of the food and horticultural supply chain, have experienced unprecedented increases in farm input costs. Fertilizer, which is a global commodity, accounts for 15% on-average of farm production cost. The cost of fertilizer has increased significantly since 2021. Crop production supplies like poly and plastic for hoop houses and plastic containers used by the greenhouse and nursery industries have increased by up to 50%. Farms continue to experience supply chain disruptions and labor shortages. Weather related events like the 2022 drought have further strained farm profitability.

*Other industries will just pass the additional cost along to consumers. Farmers cannot absorb additional costs, as they cannot simply pass this expense on to consumers. They are at the mercy of their buyers who set the pricing for their products. We cannot simply raise prices and figure consumers will have to come around to higher prices. We are dealing with perishable commodities that must continue to move.*

Connecticut farm businesses operate in a domestic, international, and global economy. Increased farm production costs in Connecticut and nationally are expected to continue as farmers face challenges from climate change, labor shortages and a growing demand for domestically grown product. I urge your support of this bill.

Respectfully submitted,

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